

## ADOPTED 2007 BUDGET

DEPT: DEBT ISSUE EXPENSE

UNIT NO. 1987\*  
FUND: General - 0001

### OPERATING AUTHORITY & PURPOSE

Appropriations are for expenses incurred for issuing bonds by Milwaukee County. The bonds are issued, as provided under 67.04 of the Wisconsin Statutes,

which authorizes issuing bonds for specific purposes, subject to stated limitations.

BUDGET SUMMARY			
	2005 <u>Actual</u>	2006 <u>Budget</u>	2007 <u>Budget</u>
Debt Issue Expense	\$ 197,175	\$ 11,500	\$ 11,500

STATISTICAL SUPPORTING DATA	2005 <u>Actual</u>	2006 <u>Budget</u>	2007 <u>Budget</u>
Total Debt Issue Expense	\$ 405,672	\$ 71,500	\$ 71,500
Airport Issue Expense*	208,497	60,000	60,000
Net Debt Issue	\$ 197,175	\$ 11,500	\$ 11,500

\* According to the Airport Master Lease Agreement, the Airport is required to pay all direct costs associated with the issuance of airport debt. Airport debt issuance costs, totaling \$60,000, have been included in the Airport's 2007 operating budget.

### DESCRIPTION

This non-departmental budget exists to pay bond counsel, financial advisor fees and other costs associated with issuing debt, including credit rating agency fees, financial auditor fees, printing and distribution costs for the official statement, and fiscal agent and trustee fees. Currently, a significant portion of debt issue expenses are paid from the proceeds of each financing. Under current Federal law, up to 2% of each financing may be used to cover expenses related to the issue. Expenses not eligible to be paid from financing proceeds are reflected in this budgetary appropriation. Expenditure authority for expenses paid from bond proceeds will be added through a Department of Administrative Services-only transfer once actual financing amounts are determined.

Fees relating to the issuance of airport revenue bonds totaled \$166,655. The remaining balance of \$41,842 related to costs incurred for trustee fees and updating the feasibility report.

### BUDGET HIGHLIGHTS

- Net (Non-Airport) debt issue expense for 2006 totaled \$11,500. Debt issue expense for the Airport in 2006 was \$60,000.
- Net (Non-Airport) debt issue expense for 2007 is budgeted at \$11,500.

\*This org. unit was previously 1900-8026. All history and data detail has been moved to org. unit 1987.